

June 21, 2013

To: Executive Board

Subject: **New Employee Benefit Program**

Recommendation

Authorize the Executive Director to execute appropriate contracts for health and dental benefits with California Choice and Delta Dental of California respectively

Analysis

Foothill Transit's employee benefit consultant, Trapani, Dickens & Associates, has been working diligently to arrange for health benefits for the employees that Foothill Transit will be directly hiring. The firm has been working on several items including health, dental, vision, chiropractic, disability and life insurances.

With the exception of the health and possibly the dental programs, the annual cost for the other insurance programs will be below \$100,000 annually, which will allow the Executive Director to enter into contracts for these various insurance coverages.

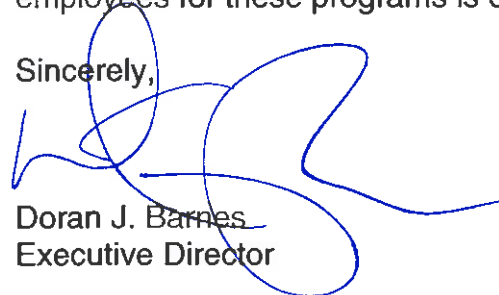
Trapani, Dickens has been working with California Choice for their health insurance services. California Choice allows employees to select from several HMO and PPO insurance plans, providing maximum flexibility. The prior management contractor utilized California Choice for health benefits.

Delta Dental of California is recommended as the dental benefit provider. Delta Dental is one of the largest dental insurance providers in the industry. While this is not the identical plan that prior management contractor provided, it will be very similar.

Budget Impact

It is not know exactly what the annual cost for these plans will be as it is dependent on age, zip code of residence and specific coverage selected. The cost sharing with employees for these programs is described in the compensation plan.

Sincerely,



Doran J. Barnes
Executive Director